Canada-U.S. Free Trade Agreement

I speak with confidence when I say that I believe that during the course of the next four years, those fears which may exist now or may have existed during the course of the election campaign will be dispelled as free trade evolves. I am confident that when we come to this evaluation period which the next four years will provide that many people will be reassured by what will have transpired.

I would like to take this opportunity to talk about what the Free Trade Agreement is and what it is not. I hope to address some of the concerns of my constituents and of others who as yet remain unconvinced.

The Free Trade Agreement is a commercial agreement between two nations. It is an agreement not unlike that which the European communities entered into several years ago. It is an agreement not unlike that which Australia and New Zealand are currently participating in. It is a commercial agreement under which there will be, over a period of some 10 years, a gradual reduction in tariffs. It is also an agreement that will reduce the likelihood of non-tariff barriers interrupting trade between our two countries.

It is not a proposal for an economic union. It is not a proposal for a political union. One of the advertisements which distressed me the most and which I found to be the most intellectually dishonest was the one which suggested that the border between Canada and the United States was being erased. I cannot believe that those who created that advertisement or those who provided that it be shown believe that that was an honest thing to do. It may have been effective for a period of time and in the end, it may have been effective for some Canadians who really believe that somehow or other, Canadian sovereignty is at stake.

Each of us who stand in this House are proud of the fact that we are Canadian. We would not be part of the political process if we were not. I think it becomes meaningless to become engaged in a debate about who has been or will be the greatest of the Canadian nationals. We do know that there is no threat to Canadian political sovereignty in the Free Trade Agreement. We are sometimes criticized by those who say that American law remains in place, and indeed it does, as Canadian law remains in place.

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The very fact that the law is there for me disproves the suggestion that there is any loss in sovereignty. We retain the right to make our own laws. We retain the right to sit and deal with countervail if necessary, as do the Americans. If that were not the case, then it may well be that some could criticize us for surrendering our sovereignty. We have not done so.

What we are seeking in the Free Trade Agreement and what I believe we have secured is the right to access to larger markets and enhanced access to markets. There are no guarantees. I do not think there are guarantees about many things in this world. There are no guarantees that we will have total, unfettered access to American markets because we will not. What we have is the opportunity to trade, the opportunity to compete. We have the opportunity to have greater access to a market which is 10 times our size. The size of that market is exceedingly important to us.

In relative terms throughout the world we are a small nation. In fact, there are really only two industrial nations in the western world which do not have guaranteed access to a market of 100 million, ourselves and Australia. If we seek, because we meet the economies of scale which are a characteristic of an industrial society, then we must have that type of access to that market.

I do not pretend to be an economist, but the little economics I studied at University reminds me of the fact that in order to have an industrial society there are some necessary characteristics. There are some necessary attributes which a nation must have. You must have the natural resources, which we have. You must have the entrepreneurial skills, which we have demonstrated we have. You must have access to capital. You must have the labour supply and you must have the transportation system. We have all of those. You can have all of those and have nothing if you do not have access to market.

We in Western Canada historically have grown a good quality agricultural product and we have grown it in surplus. We know throughout our history that without access to international markets we in Western Canada do not have an economic future. That is why we as a region have advocated free trade. That is why we as a region have historically believed we were the victim of a national policy of protective tariffs.

We know we must sell outside our country. We in the West know very clearly that one-third of the jobs in Canada come as a result of exports. We know that 50 per cent of agricultural income comes as a result of exports. We know that if we do not trade, we die in economic terms. Having said that, I am amazed how often some of us seem to forget.

Sometimes in the phone-in programs farmers call and ask why we worry about markets outside of our country.